

VANTAGE PRIVATE EQUITY GROWTH 5



QUARTERLY INVESTOR REPORT
30 SEPTEMBER 2024

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EXECUTIVE SUMMARY

Welcome to the Vantage Private Equity Growth 5 (VPEG5) quarterly investor report for the period ending 30 September 2024.

During the September 2024 quarter, VPEG5 achieved a significant development in the portfolio's evolution with the Fund's first successful announced sale of **Civilmart**, a **CPE Capital 9** portfolio company.

Notably, this transaction sees VPEG5 reach a pivotal stage in its lifecycle, as it moves through the initial investment period and into the value creation phase. The Fund is well positioned as it continues to mature and enters its harvest period, with Vantage's manager selection capabilities delivering strong returns for its investors.

PORTFOLIO HIGHLIGHTS

During the quarter, **CPE Capital 9** announced the sale of portfolio company **Civilmart**, to Irish manufacturer CRH for a media reported \$400 million. The sale marks the Fund's first successful realisation enhancing the overall return to investors. Upon receipt of the exit proceeds (anticipated during the December 2024 quarter) a distribution will be paid to VPEG5A investors during the March 2025 quarter, further increasing the Fund's Distributed to Paid In (DPI) multiple and annualised return.

Turning to new investments during the quarter, two new platform acquisitions were completed, with Mercury Capital acquiring **JMC Academy** and **Next Capital** investing in **Zenith Payments**. This increases the total number of unique portfolio companies in VPEG5's portfolio from 30 to 32.

Additionally, three bolt-on acquisitions were completed and integrated into existing portfolio companies. These strategic investments further expanded each portfolio company's operations and market share.

As is expected in the building phase of a private equity fund, VPEG5's underlying fund managers remain focused on deployment and are actively reviewing several new potential investment opportunities across both public and private markets.

Managers note that the current economic environment has presented a range of compelling opportunities across various strategies. As such, VPEG5's portfolio is expected to expand over the next six to twelve months, with an anticipated increase in the number of underlying portfolio companies.

VPEG5 FUND ACTIVITY

During the quarter, capital calls totalling \$9,094,304 were paid by VPEG5 to Allegro Fund IV, Adamantem Capital Environmental Opportunities Fund (Adamantem EOF), Anchorage Capital Fund IV, Mercury Capital Twenty2, Allegro Fund IV and Next Capital Fund V.

The capital called was utilised to fund the new portfolio company investments made by Mercury Capital Twenty2 and Next Capital Fund V into JMC Academy and Zenith Payments respectively. In addition, capital was also called for the repayment of a financing facility used to acquire the Adamantem EOF portfolio company Pac Trading during July 2023 and ELF Group by Anchorage Fund IV. The remainder of the capital called for the purpose of management fees and working capital requirements of underlying private equity funds across the period.

To fund these capital calls, VPEG5, LP issued Capital Call No.6 during July 2024 totalling 5% of investors Committed Capital. As such, as at 30 September 2024, VPEG5 had called a total of 44% of investors committed capital at period end.

As VPEG5 continues to mature, the portfolio's value has shown substantial growth on the prior quarter. This increase is largely driven by valuation gains in the underlying portfolio, as managers actively execute their value creation strategies. Across the period, the net return of VPEG5's Net Asset Value (NAV) increased 4.5% to \$0.419 per Dollar of Committed Capital as at 30 September 2024 (21.2% return on an annual basis).



EXECUTIVE SUMMARY

VPEG6 MAKES THIRD PRIMARY COMMITMENT & REMAINS OPEN FOR INVESTMENT

Following extensive due diligence & analysis conducted by the Vantage investment team over the September 2024 quarter, VPEG6 made its third primary capital commitment, to Genesis Capital Fund II (GC Fund II). Genesis Capital are specialist healthcare investors with a strong track record of targeting fragmented healthcare sub-sectors demonstrating thematical tailwinds in Australia and New Zealand.

This third commitment follows VPEG6's initial two primary capital commitments to Allegro Fund IV Side Car 2 and Waterman Fund 5, which takes the total quantum of VPEG6's primary capital commitment allocations to over \$40 million.

VPEG6 is a will remain open for investment until either its target size of \$250 million is reached, or the second anniversary of the First Closing Date.

If you wish to learn more about VPEG6 or would like to make an application, please contact your wealth adviser or Vantage's Investor Services Team via email at info@vantageasset.com or call 02 9067 3133.

An application can also be made by completing VPEG6's Online Application form by copying the following link into your web browser;

<https://apply.automic.com.au/VPEG6>

VANTAGE TEAM ADDITIONS

Following a number of recent additions to the Vantage team across the Directorship & Investment Committee, Finance Team and Investor Relations, Vantage is pleased to announce Oliver Hedley-Whyte has joined the Investment Team as Investment Director. Oliver brings over 10 years of direct mid-market Private Equity experience across Australia and the UK.

The expansion of the Vantage team underscores our firm's evolution and highlights the rising investment momentum across all of Vantage's Private Equity programmes. The addition of Oliver to the investment team also enhances our commitment to exceptional service for our investors and reinforces our dedication to delivering on our core mission.

PERFORMANCE



PERFORMANCE

QUARTER ENDING	30 SEPTEMBER 2024
FINAL CLOSE	DECEMBER 2023
STRATEGY	PRIVATE EQUITY FUND OF FUNDS
COMMITTED CAPITAL	\$165.73 MILLION
CALLED CAPITAL - PER \$ OF COMMITTED CAPITAL	\$0.44
UNCALLED CAPITAL - PER \$ OF COMMITTED CAPITAL	\$0.56
NET ASSET VALUE (NAV) - PER \$ OF COMMITTED CAPITAL	\$0.419
NET RETURN - QUARTER	4.5%
NET RETURN - 12 MONTHS	21.2%

PORTFOLIO

TOTAL COMMITTED CAPITAL TO PRIVATE EQUITY	\$170.02 MILLION
NO. OF PRIMARY COMMITMENTS	8
NO. OF CO-INVESTMENTS	4
NO. OF UNDERLYING PORTFOLIO COMPANIES	32
NO. OF EXITS ¹	1
NO. OF REMAINING PORTFOLIO COMPANIES	31

1. Exit count includes both completed and announced exits at reporting period



PRIVATE EQUITY PORTFOLIO





PRIVATE EQUITY PORTFOLIO

VPEG5 PRIVATE EQUITY PORTFOLIO

PRIVATE EQUITY FUND NAME	FUND / DEAL SIZE (\$M)	VINTAGE	INVESTMENT STRATEGY	COMMITMENT (\$M)	CAPITAL DRAWN (\$M)	PORTFOLIO COMPANIES	EXITS ²
CPE CAPITAL 9	\$729	2020	BUYOUT	\$20.00	\$5.34	5	1
ADVENT PARTNERS 3 FUND	\$410	2020	EXPANSION / BUYOUT	\$20.00	\$9.92	4	-
ALLEGRO FUND IV	\$623	2020	TURNAROUND	\$25.00	\$12.50	4	-
ANCHORAGE CAPITAL PARTNERS FUND IV	\$505	2021	TURNAROUND	\$25.00	\$10.38	4	-
MERCURY CAPITAL FUND TWENTY2	\$1,000	2022	EXPANSION / BUYOUT	\$15.00	\$6.72	4	-
RIVERSIDE AUSTRALIA FUND IV	\$450	2022	EXPANSION / BUYOUT	\$20.00	\$0.00	1	-
ADAMANTEM ENVIRONMENTAL OPPORTUNITIES FUND	\$350 ³	2022	EXPANSION	\$20.00	\$4.34	3	-
NEXT CAPITAL FUND V	\$375	2022	EXPANSION / BUYOUT	\$20.00	\$6.64	5	-
CO-INVEST NO.1 – EVENTS AIR	\$187	2022	EXPANSION / BUYOUT	\$1.00	\$1.00	1	-
CO-INVEST NO.2 – GULL NZ	NZ\$495	2022	BUYOUT	\$1.00	\$1.00	1	-
CO-INVEST NO.3 – COMPARE CLUB	\$160	2022	EXPANSION	\$2.00	\$2.00	1	-
CO-INVEST NO.4 – PAC TRADING	\$68	2023	EXPANSION / BUYOUT	\$1.02	\$1.02	1	-
TOTAL				\$170.02	\$60.87	32⁴	1

2. Exit count includes both completed and announced exits at reporting period end

3. Target fund size

4. Excluding duplicated investments



PRIVATE EQUITY PORTFOLIO

TOP 10 HOLDINGS ACROSS THE PORTFOLIO

	PORTFOLIO COMPANY	FUND	DESCRIPTION	SHARE OF PORTFOLIO	CUMULATIVE
1	SLATER & GORDON	ALLEGRO FUND IV	A LEADING COMPENSATION AND CLASS ACTION LAW FIRM	8.3%	8.3%
2	DAVID JONES	ANCHORAGE CAPITAL PARTNERS FUND IV	AUSTRALIAN LUXURY DEPARTMENT STORE	7.4%	15.7%
3	PAC TRADING	CO-INVESTMENT NO.4 & ADAMANTEM ENVIRONMENTAL OPPORTUNITIES FUND	PROVIDER OF INNOVATIVE AND SUSTAINABLE PACKAGING SOLUTIONS	7.0%	22.7%
4	GULL NZ	ALLEGRO FUND IV	NEW ZEALAND PETROLEUM DISTRIBUTION COMPANY AND PETROL STATION CHAIN	6.0%	28.7%
5	COMPARE CLUB	CO-INVESTMENT NO.3 - COMPARE CLUB	OPERATOR OF CONSUMER FINANCE AND INSURANCE INFORMATION PLATFORM	6.0%	34.7%
6	ELF GROUP	ANCHORAGE CAPITAL PARTNERS FUND IV	ASSET FINANCE AND LEASING SOLUTIONS	5.7%	40.4%
7	SCYNE ADVISORY	ALLEGRO FUND IV	AUSTRALIAN PUBLIC SECTOR ADVISORY BUSINESS	5.0%	45.4%
8	NUTUN AUSTRALIA	ALLEGRO FUND IV	A PROVIDER OF BUSINESS PROCESS OUTSOURCING (BPO) SERVICES FOR A LONGSTANDING BLUE-CHIP CUSTOMER BASE.	4.7%	50.1%
9	INTEGRATED CONTROL TECHNOLOGIES (ICT)	ADVENT PARTNERS 3 FUND	MANUFACTURER OF UNIFIED AND INTELLIGENT ELECTRONIC ACCESS CONTROL AND SECURITY SOLUTIONS	4.5%	54.5%
10	ACCESS COMMUNITY HEALTH	ANCHORAGE CAPITAL PARTNERS FUND IV	NZ PROVIDER OF IN-HOME NURSING, PERSONAL CARE, REHABILITATION AND SOCIAL SUPPORT	4.1%	58.7%



PRIVATE EQUITY PORTFOLIO

INDUSTRY DIVERSIFICATION OF PORTFOLIO

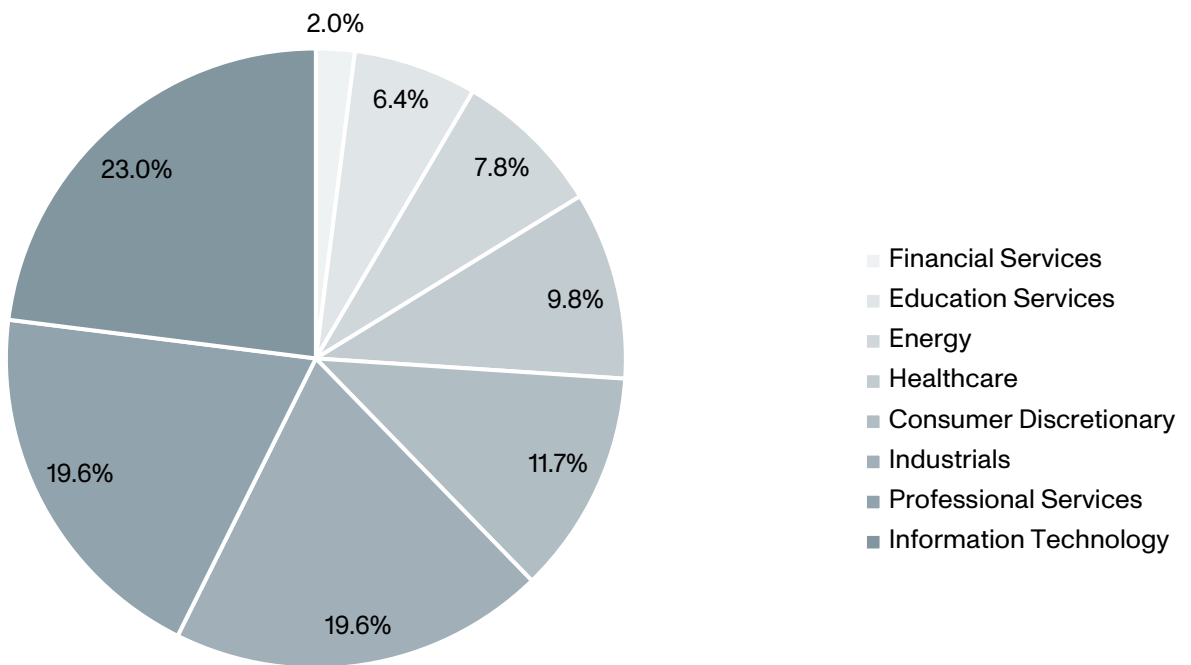


Image: Industry diversification of VPEG5 portfolio at period end 30 September 2024. Keys is in ascending order.

PORTFOLIO ACTIVITY





PORTFOLIO ACTIVITY

Private equity activity specifically in the lower to mid market segment continued to gain traction throughout the September 2024 quarter.

This led to the announced successful exit of VPEG5's first portfolio company sale **Civilmart** by **CPE Capital 9**. Further details of the exit are provided below.

CIVILMART

ANNOUNCED EXIT – CIVILMART – CPE CAPITAL 9

During the quarter, **CPE Capital 9** announced the sale of portfolio company **Civilmart** to Irish manufacturer CRH for a media reported \$400 million.

CPE Capital in August 2021 made an investment into Rocla and the simultaneous bolt-on investment of Civilmart, Australia's 3rd and 4th largest manufacturers of concrete pipes and precast products. This merger created the 2nd largest manufacturer of concrete pipes and precast products in Australia, with operations in New South Wales, Queensland and South Australia.

Across CPE Capital's ownership, management focused on significantly improving the operational performance of the business through strategic initiatives encompassing facility consolidation and network optimisation. The management team successfully executed the integration of manufacturing and sales operations while implementing a decentralised service model, resulting in enhanced market penetration and operational efficiencies. This was underpinned by a rigorous focus on core service offerings, driving sustainable competitive advantages across product quality and service delivery benchmarks.

The investment thesis was materialised through both organic growth initiatives and accretive bolt-on acquisitions. Despite macroeconomic headwinds impacting government infrastructure spending, the business maintained robust financial performance, evidenced by strong EBITDA growth and a resilient customer pipeline. This exit represents the first successful portfolio company sale from VPEG5's portfolio, delivering a material investment return to CPE Capital 9 and VPEG5 investors.

Upon receipt of the exit proceeds from the sale of Civilmart (anticipated during the December 2024 quarter) a distribution will be paid to VPEG5A investors during the March 2025 quarter, further increasing the Fund's Distributed to Paid In (DPI) multiple and annualised return.

On the deployment side, Vantage's underlying managers have grown increasingly confident in the economic outlook over recent periods. This confidence has led to a significant increase in deal activity, including both platform acquisitions and the ongoing expansion of platforms through strategic bolt-on investments during the period.

Further details of the investment activity across VPEG5's portfolio during the period are highlighted below.



JMC ACADEMY – MERCURY CAPITAL FUND TWENTY2

During September 2024, Mercury Capital Twenty2 completed the investment in JMC Academy, Australia's leading private non-university higher education provider, providing higher education courses in the creative arts niche.

JMC has a 40+ year history in the Australian education sector and teaches over 3,000 students per year with approximately 90% of students being domestic and 10% international. JMC delivers courses face-to-face via three campuses in Sydney, Melbourne and Brisbane.

JMC's status as an accredited provider enables it to deliver Diplomas, Bachelors, Masters and other higher education qualifications.



ZENITH PAYMENTS – NEXT CAPITAL FUND V

Additionally, during September 2024, Next Capital Fund V completed the investment in Zenith Payments, a leading Payment Facilitator in Australia, processing payments in a variety of verticals including schools, childcare, rental, travel, thoroughbreds, and B2B bill payments.



PORTFOLIO ACTIVITY

From online and mobile payments to in-store transactions, Zenith provides flexible and secure solutions that help clients manage payments more effectively. Its offerings include payment facilitation, card issuing, direct debit, and stored-value programs, making it a versatile partner for businesses seeking streamlined financial operations.

OTHER PORTFOLIO ACTIVITY

In addition to the new platform acquisition added to the portfolio during the quarter, a number of VPEG5's underlying managers completed strategic bolt-on acquisitions in order to increase profitability and capture additional market share for existing portfolio companies.

Adamentem EOF and **VPEG5 Co-investment No.4 PAC Trading** completed the bolt-on of the Packaging Division of **Closed Loop Solutions**. This acquisition strengthens Pac Trading's position in sustainable packaging and expanding its circular economy capabilities, further enhancing PAC Trading's end-to-end recycling services while bringing complementary manufacturing capabilities that accelerates growth.

Allegro Fund IV portfolio company **Nutun**, completed the bolt-on acquisition of **Debtrak**, a market leading collections software business. The acquisition of Debtrak enhances Nutun Australia's capabilities by integrating advanced debt collection technology, enabling more efficient operations, improved client service, and strategic growth in the financial services market.

Finally, **Advent Partners 3 Fund** portfolio company **Private Equity Health Australia (PEHA)** completed the bolt-on of **Ulaid Health**, a doctor owned group in Perth which manages the private emergency department of Ramsey Hollywood Private Hospital, one of Australia's largest hospitals. The acquisition of Ulaid Health strengthens Private Equity Health Australia's service capabilities and expands its healthcare portfolio, enabling enhanced patient care, broader service offerings, and accelerated growth in the healthcare sector.

VPEG5's private equity managers continue to make significant progress in executing their investment strategies. Strong recent growth in the underlying portfolio companies is expected to result in managers reassessing their valuations. In turn, this will likely drive a material uplift in VPEG5's valuation over the next six to twelve months.

As VPEG5's portfolio continues to mature, an additional 25-30 company investments are expected to be added over the next two to three years. This will bring the total number of companies in the portfolio to approximately 55-60 once fully invested.

MARKET INSIGHTS





MARKET INSIGHTS

The M&A market is showing encouraging signs with the majority of Vantage's underlying managers becoming increasingly confident and expecting an increase in deal activity for both the remainder of the year and 2025.

2024 has seen lingering concerns of 'sticky' inflation and sustained levels of high interest rates, meaning M&A processes have taken longer to complete or ultimately been put on-hold. However, recent market commentary suggests a marked improvement in sentiment, with dealmakers growing accustomed to the current environment, and both buyers and sellers successfully recalibrating their valuation expectations. This large backlog of deals, improved alignment on valuation, alongside the potential for modest interest rate reductions and an easing of inflationary pressures, is expected to drive a substantial uptick in deal activity in 2025.

As international events have unfolded, geopolitical factors have become an increasingly important feature to consider when assessing M&A. However, rather than suppressing deal M&A appetite in Australia and New Zealand, this uncertainty has helped position these markets as increasingly attractive destinations for capital deployment due to their stable economies and predictable political environments.

Vantage's underlying managers are well-placed to benefit from these key themes, particularly given their focus on the lower to mid-market segment. There continues to be an abundance of high-quality investment opportunities with founders and management teams attracted to local, established private equity managers that can help accelerate their growth ambitions. Meanwhile, these same managers can then benefit at exit from the substantial pool of buyers that are eager to deploy capital into high-quality, scaled platforms with potential to grow offshore.

During Q1 FY2025, Vantage's flagship Private Equity Funds witnessed this with the announced sales of portfolio companies: Compass Education (VPEG3) to global private equity investor EQT, and Civilmart (VPEG4 & VPEG5) to Irish industrials conglomerate CRH Company.

Overall private equity transaction activity remained consistent with the prior quarter with 11 acquisitions across healthcare, education, software and business support sectors, alongside four completed or announced exits.

DIRECTORY

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IMPORTANT INFORMATION

This report has been prepared by Vantage Asset Management Pty Limited (ABN 50 109 671 123) AFSL 279186 (Vantage) in its capacity as Investment Manager of Vantage Private Equity Growth 5. It has been prepared without taking into account the objectives, financial situation or needs of any investor, which should be considered before investing. Investors should seek their own advice about an appropriate investment or investment strategy. It should not be relied upon as personal advice nor is it an offer of any financial product.



VANTAGE ASSET MANAGEMENT

